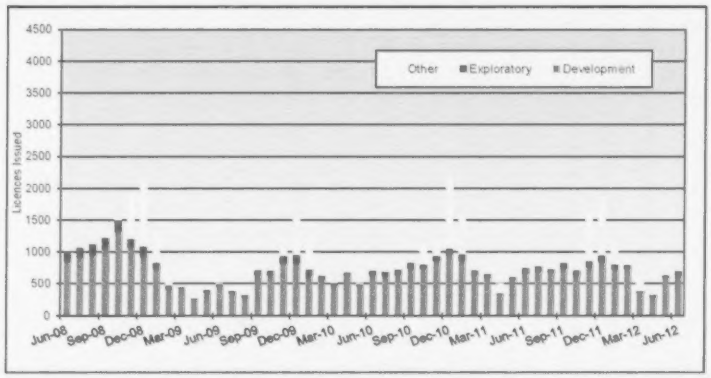
July 2012 Industry Activity Report

Monthly Well Licences



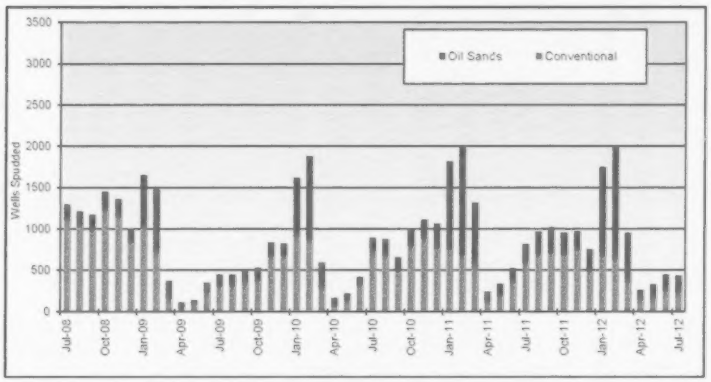
The 687 new licences issued in June were down 12% from last June's 777 new licences.

Compared to the first six months of 2011, new permits are down 17%.

2012	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Development	733	727	359	287	593	635							3334
Exploration	77	77	36	26	27	52							295
NPW	41	32	15	8	12	16							124
NFW	1	1	1			2							5
DPT	12	14	8	14	5	21							74
Outpost	23	30	12	4	10	13							92
Exper. & Eval. Licences	400	78	119										597
Total	1210	882	514	313	620	687							4226

Source: Energy Resources Conservation Board

Alberta Wells Spudded

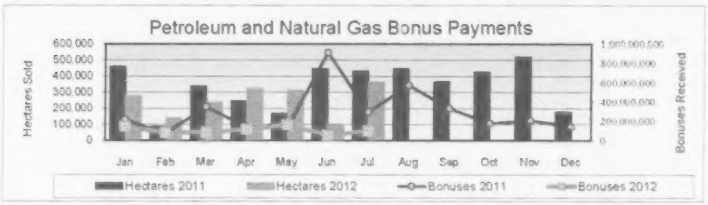


Operators spudded 430 wells in July, bringing the seven-month total to 6,175. Compared to last year's seven-month total, this year's spuds are down 12%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Conventional	1390	1422	563	91	181	682	1106	1040	985	1230	1144	829	10,663
	Oil Sands	1373	1867	809	69	44	168	190	174	185	219	213	176	5,487
2009	Conventional	1010	719	150	40	83	231	310	307	348	370	664	674	4,906
	Oil Sands	641	756	218	69	52	117	134	137	146	161	171	146	2,748
2010	Conventional	908	855	271	67	143	318	715	675	490	795	880	755	6,872
	Oil Sands	706	1023	321	96	73	103	176	203	161	210	232	310	3,614
2011	Conventional	742	681	525	121	183	359	594	698	706	685	734	490	6,518
	Oil Sands	1070	1320	793	120	151	166	218	266	312	267	237	262	5,182
2012	Conventional	670	627	367	146	157	248	236						2,451
	Oil Sands	1079	1381	587	113	170	200	194						3,724

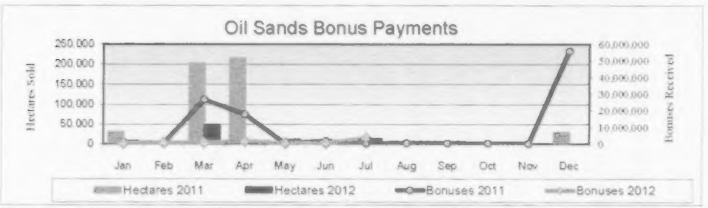
Source: Energy Resources Conservation Board

Petroleum & Natural Gas & Oil Sands Land Sales



In July, crown land sales earned a total of $99.97 million with an average price per hectare of $263.53

So far this year, the province has collected $747.6 million on the sale of 1.8 million hectares, with an average price of $407.81/hectare. Over the first seven months of 2011, crown land sales earned $2.16 billion for 2.6 million hectares, and an average selling price of $815.45/hectare

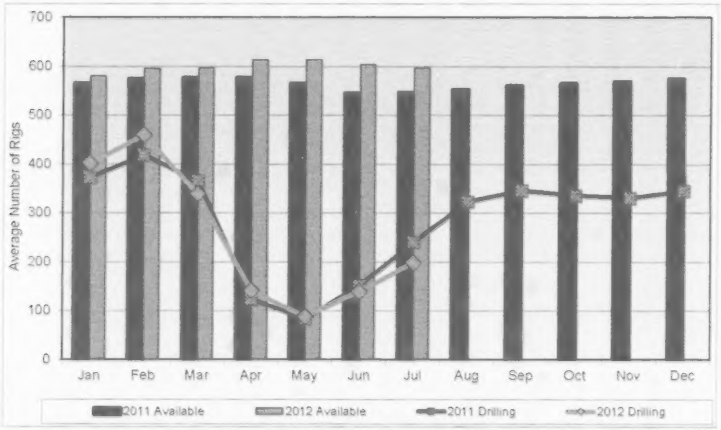


Petroleum and Natural Gas Rights	Jul-12	Jul-11	YTD 2012	YTD 2011
Bonuses	$96,561,077.23	$292,960,757.33	$739,574,364.37	$2,106,811,539.99
Hectares	366497.36	431585.78	1759220.70	2177686.75
Average Price per Hectare (Cdn$)	$263.47	$678.80	$420.40	$967.45

Oil Sands Rights	Jul-12	Jul-11	YTD 2012	YTD 2011
Bonuses	$3,406,381.53	$160,032.00	$7,990,538.48	$48,145,638.31
Hectares	12841.20	5888.00	73906.84	464971.45
Average Price per Hectare (Cdn$)	$265.27	$27.18	$108.12	$103.55

Source: Alberta Department Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2011 Available
2012 Available
2011 Drilling
2012 Drilling

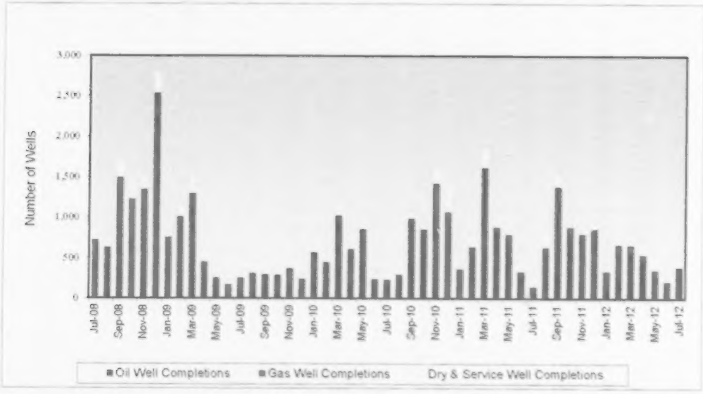
Fleet utilization for the province's 597 rigs averaged 33% in July, compared to 546 rigs with a utilization of 44% in July 2011.

Over the first seven months of 2012, Alberta's oil and gas fields have kept an average of 252 rigs working (with an average fleet of 600 rigs), compared to 250 working rigs in 2011 (with an average fleet of 563 rigs).

July	Drilling	Down	Available	Rig Util. Jul-12	Rig Util. Jul-11
Alberta	198	399	597	33%	44%
Saskatchewan	69	74	143	48%	52%
British Columbia	26	26	52	50%	49%
Northwest Territories					
Manitoba	14	11	25	56%	50%
Canada	307	511	818	38%	46%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



July's 488 well completions were up 92% from the 254 completions for this month in 2011.

During the January-July period, oil well completions were down 4%, and gas completions were down 68%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2008	Oil Wells	270	158	263	309	174	68	176	262	414	297	272	613	3,276
	Gas Wells	1370	610	952	897	322	202	554	372	1084	937	1075	1929	10,304
	Dry & Service	99	54	175	196	223	83	111	70	200	241	136	247	1,835
2009	Oil Wells	156	116	321	111	71	36	79	101	146	132	169	121	1,559
	Gas Wells	606	899	979	342	187	143	178	217	155	160	212	127	4,205
	Dry & Service	96	120	230	73	81	42	49	61	54	35	63	35	939
2010	Oil Wells	253	144	397	198	400	126	131	168	357	402	999	676	4,251
	Gas Wells	324	308	632	418	462	117	110	135	638	461	847	403	4,855
	Dry & Service	62	79	141	6	51	41	26	43	59	46	169	294	1,017
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348						2,474
	Gas Wells	131	181	146	141	62	12	46						719
	Dry & Service	35	48	55	126	128	37	94						523

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com